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Attorneys for the Official Committee of Unsecured Creditors

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re:	)	Chapter 11
	)	
DELPHI CORPORATION, <u>et al.</u> ,	)	Case No. 05-44481 (RDD)
	)	
Debtors.	)	
	)	Jointly Administered

**SECOND FEE AND EXPENSE APPLICATION COVER  
SHEET OF LATHAM & WATKINS LLP AS COUNSEL TO  
THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

<b>Name of Applicant:</b>	Latham & Watkins LLP
<b>Role in Case:</b>	Counsel to the Official Committee of Unsecured Creditors
<b>Date of Retention:</b>	January 6, 2006 ( <i>nunc pro tunc</i> to October 17, 2005)
<b>Period Covered:</b>	February 1, 2006 through May 31, 2006
<b><u>Current Application</u></b>	
<b>Fees Requested:</b>	\$5,188,803.50
<b>Expenses Requested:</b>	\$ 369,265.45
<b>Total Fees and Expenses Requested:</b>	\$5,558,068.95
<b>Blended Hourly Rate: (excluding paraprofessionals)</b>	\$501.29
<b>Blended Hourly Rate: (including paraprofessionals)</b>	\$474.21
<b>This is a(n):</b>	<u>  x  </u> interim <u>  </u> final application.

### **SECTION I: FEE SUMMARY**

	<u>To Date</u>	<u>Current Period</u>
Total Fees Requested:	\$ 8,446,853.75	\$ 5,188,803.50
Total Disbursements Requested:	\$ 526,496.31	\$ 369,265.45
Total Fees Previously Allowed:	\$ 0.00	\$ 0.00
Total Disbursements Previously Allowed:	\$ 0.00	\$ 0.00
Total Previously Received by Applicant:	\$ 6,266,020.69	\$ 3,497,526.63

### **SECTION II: ATTORNEY/OTHER PROFESSIONAL SUMMARY**

<u>Name of Attorney/ Other Professional</u>	<u>Yr. Admitted to Practice</u>	<u>Hourly Rates for 2006</u>	<u>Hours Billed</u>	<u>Totals</u>
<u>PARTNERS/OF COUNSEL</u>				
ROBERT J ROSENBERG <sup>1</sup>	1970	\$ 850.00	522.90	\$ 441,915.00
DAVID M. BRODSKY	1970	\$ 825.00	2.10	\$ 1,732.50
DAVID S HELLER	1978	\$ 825.00	0.50	\$ 412.50
JOHN D. HOUGHTON	1988	\$ 825.00	1.30	\$ 1,072.50
JED W BRICKNER	1980	\$ 775.00	18.40	\$ 14,260.00
JAMES E BRANDT	1982	\$ 775.00	187.30	\$ 145,157.50
BRUCE J PRAGER	1978	\$ 775.00	1.20	\$ 930.00
JOHN D SHYER	1981	\$ 750.00	8.20	\$ 6,150.00
LAWRENCE I SAFRAN	1985	\$ 750.00	0.40	\$ 300.00
JOEL E KRISCHER	1975	\$ 695.00	18.60	\$ 12,927.00
A JAMES REDWAY	1981	\$ 675.00	3.00	\$ 2,025.00
HISAO HIROSE	1979	\$ 625.00	0.80	\$ 500.00
MITCHELL A SEIDER <sup>2</sup>	1987	\$ 775.00	482.40	\$ 373,085.00
MARK A. BROUDE	1989	\$ 750.00	476.30	\$ 357,225.00
ALEXANDRA A E SHAPIRO	1993	\$ 695.00	4.30	\$ 2,988.50
ROBIN L STRUVE	1987	\$ 695.00	23.20	\$ 16,124.00
BLAIR G CONNELLY	1994	\$ 650.00	214.00	\$ 139,100.00
HANNO F KAISER	1998	\$ 650.00	4.10	\$ 2,665.00
STEFAN LUNK	1992	\$ 650.00	1.60	\$ 1,040.00
HERVÉ DIOGO AMENGUAL	1994	\$ 650.00	2.20	\$ 1,430.00
JOHN SORKIN	1995	\$ 650.00	0.60	\$ 390.00
MATTEO BAY	1993	\$ 650.00	1.80	\$ 1,170.00
SANDHYA P CHANDRASEKHAR	1990	\$ 650.00	2.30	\$ 1,495.00
DAVID S LANGER	1989	\$ 650.00	2.10	\$ 1,365.00
SUSAN BLOCK-LIEB	1982	\$ 650.00	107.60	\$ 69,940.00
JEFFREY A TOCHNER	1994	\$ 625.00	0.30	\$ 187.50

<sup>1</sup> This amount reflects a 50% reduction for non-working travel time in the amount of \$2,550.00.

<sup>2</sup> This amount reflects a 50% reduction for non-working travel time in the amount of \$775.00

JOSEPH KIM	1995	\$ 625.00	1.90	\$	1,092.50
<b>TOTAL</b>			<b>2,089.40</b>	<b>\$</b>	<b>1,596,679.50</b>

ASSOCIATES

BETTINA FREIRE	2000	\$ 545.00	2.20	\$	1,199.00
ADRIENNE K WHEATLEY	1997	\$ 570.00	311.70	\$	177,669.00
HENRY P BAER, JR. <sup>3</sup>	1997	\$ 570.00	474.80	\$	269,496.00
ERIC T ANDREWS	1996	\$ 560.00	5.40	\$	3,024.00
CHRISTOPHER HITCHINS	1999	\$ 560.00	5.60	\$	3,136.00
JOHN D MACKAY	1998	\$ 560.00	1.50	\$	840.00
FRANK GRELL	2000	\$ 545.00	0.80	\$	436.00
KEITH SIMON	1999	\$ 545.00	21.60	\$	11,772.00
SUSAN H KANE	1999	\$ 545.00	566.70	\$	308,851.50
JOHN W. WEISS <sup>4</sup>	2000	\$ 515.00	492.10	\$	253,122.50
KUANG H TANG	1997	\$ 515.00	0.20	\$	103.00
LAMBRINA MATHEWS	2000	\$ 515.00	237.40	\$	122,261.00
JOSEPH FURST III	2001	\$ 515.00	410.60	\$	211,459.00
DUTCH D CHUNG	2001	\$ 490.00	3.30	\$	1,617.00
MICHAEL RIELA <sup>5</sup>	2001	\$ 490.00	377.80	\$	183,603.00
ELIZABETH A HICKEY	2001	\$ 490.00	13.90	\$	6,811.00
CAROLINE A. RECKLER	2001	\$ 490.00	67.60	\$	33,124.00
RAPHAEL KAMINSKY	2002	\$ 460.00	1.20	\$	552.00
JAMES R DRINNAN	2002	\$ 460.00	1.90	\$	874.00
JONATHAN R KEIL	2003	\$ 460.00	0.70	\$	322.00
ADAM C BRYAN	2002	\$ 460.00	0.60	\$	276.00
ERIKA RUIZ <sup>6</sup>	2002	\$ 460.00	506.60	\$	231,081.00
ALAN L LEAVITT	2002	\$ 460.00	12.10	\$	5,566.00
ANDREW M. PURDY	2003	\$ 460.00	143.70	\$	66,102.00
JOSEPH M MANICKI	2003	\$ 455.00	8.40	\$	3,822.00
CAROLINE M EMERTON	2004	\$ 425.00	5.50	\$	2,337.50
JAMAUL D CANNON	2003	\$ 425.00	79.60	\$	33,830.00
VIRGINIA F TENT	2004	\$ 425.00	24.00	\$	10,200.00
JOSHUA H. POVILL	2004	\$ 425.00	43.30	\$	18,402.50
HEINRICH BAEZ	2004	\$ 390.00	6.50	\$	2,535.00
MONISHA S KAMDAR	2004	\$ 390.00	0.50	\$	195.00
RACHAEL HEMANI	2004	\$ 390.00	21.60	\$	8,424.00
EMILY K FINN	2004	\$ 390.00	145.90	\$	56,901.00

<sup>3</sup> This amount reflects a 50% reduction for non-working travel time in the amount of \$1,140.00.

<sup>4</sup> This amount reflects a 50% reduction for non-working travel time in the amount of \$309.00.

<sup>5</sup> This amount reflects a 50% reduction for non-working travel time in the amount of \$1,519.00.

<sup>6</sup> This amount reflects a 50% reduction for non-working travel time in the amount of \$1,955.00.

ANTHONY MAUL	2005	\$ 390.00	198.40	\$	77,376.00
JIE SUN		\$ 390.00	1.20	\$	468.00
JOEL S NECKERS <sup>7</sup>	2004	\$ 390.00	55.10	\$	20,806.50
AARON SIRI	2004	\$ 390.00	558.10	\$	217,659.00
LUCA CROCCO	2004	\$ 390.00	4.40	\$	1,716.00
JASON M CASEY	2005	\$ 390.00	11.30	\$	4,407.00
GRAEME SMYTH	2005	\$ 390.00	19.00	\$	7,410.00
BRADLEY D TRUDING <sup>8</sup>	2006	\$ 345.00	16.50	\$	4,226.25
DENNIS G CRAYTHORN	2006	\$ 345.00	409.40	\$	141,243.00
SCOTT B JOSEFSBERG	2006	\$ 345.00	5.50	\$	1,897.50
SARAH M LIGHTDALE <sup>9</sup>	2006	\$ 345.00	270.20	\$	91,683.75
BRIAN D ANCHETA	Bar Pending	\$ 345.00	13.50	\$	4,657.50
THOMAS E FELSBURG	Bar Pending	\$ 345.00	1.00	\$	345.00
JENNIFER H SPERLING <sup>10</sup>	2006	\$ 345.00	334.80	\$	115,333.50
KAREN Y TU	2006	\$ 345.00	26.00	\$	8,970.00
YI ZHANG	2005	\$ 345.00	2.40	\$	828.00
JUDE M GORMAN	2006	\$ 345.00	238.30	\$	82,213.50
JASON A KOLBE	2006	\$ 345.00	233.20	\$	80,454.00
PETER S MAITLAND	2006	\$ 345.00	257.60	\$	88,872.00
THOMAS R PRICE	2006	\$ 345.00	275.80	\$	95,151.00
MICHAEL A SAMALIN	2006	\$ 345.00	20.50	\$	7,072.50
NATHANAEL B YALE	2006	\$ 345.00	252.80	\$	87,216.00
CASEY L HINKLE	2006	\$ 345.00	283.80	\$	97,911.00
STEVEN E SEITZ	2006	\$ 345.00	390.90	\$	134,860.50
MARC R SUSKIN	2006	\$ 345.00	27.90	\$	9,625.50
<b>TOTAL</b>			<b>7,902.90</b>	<b>\$</b>	<b>3,412,347.00</b>

Name of Attorney/  
Other Professional

Hourly  
Rate

Hours  
Billed

Totals

NONLAWYER PROFESSIONALS

WENDY HUNG	Summer Clerk	\$ 305.00	12.00	\$	3,660.00
ANTHONY M STARK	Summer Clerk	\$ 305.00	16.40	\$	5,002.00
AMY E CHAMBERS	Paralegal	\$ 235.00	1.50	\$	352.50
DAMON GAYNAIR	Paralegal	\$ 215.00	31.90	\$	6,858.50
JENNIFER A. WALKER	Paralegal	\$ 210.00	29.20	\$	6,132.00
RICHARD MONTGOMERY	Paralegal	\$ 195.00	8.30	\$	1,618.50
LESLIE ANN SALCEDO	Paralegal	\$ 190.00	495.80	\$	94,202.00

<sup>7</sup> This amount reflects a 50% reduction for non-working travel time in the amount of \$682.50.

<sup>8</sup> This amount reflects a 50% reduction for non-working travel time in the amount of \$1,466.25.

<sup>9</sup> This amount reflects a 50% reduction for non-working travel time in the amount of \$1,535.25.

<sup>10</sup> This amount reflects a 50% reduction for non-working travel time in the amount of \$172.50.

MARION HANSEN	Paralegal	\$ 180.00	3.00	\$	540.00
SARITA CHALEN	Paralegal	\$ 175.00	69.80	\$	12,215.00
IVANNA A URSINO	Paralegal	\$ 175.00	2.70	\$	472.50
ANN CANDLER KING	Paralegal	\$ 175.00	116.20	\$	20,335.00
RASSA L AHMADI	Paralegal	\$ 175.00	143.70	\$	25,147.50
GREG P DUPUY	Paralegal	\$ 145.00	3.00	\$	435.00
BARBARA A MICGIEL	Prof Staff	\$ 225.00	0.60	\$	135.00
STEVEN B SIMPSON	Prof Staff	\$ 215.00	1.00	\$	215.00
KATHRYN L TROTTER	Prof Staff	\$ 215.00	5.00	\$	1,075.00
EMERENCIANA S SANTOS	Prof Staff	\$ 215.00	2.30	\$	494.50
JILL K HANNON	Prof Staff	\$ 150.00	1.60	\$	240.00
JESSICA L BENGELS	Prof Staff	\$ 115.00	3.80	\$	437.00
JOHN B NUGENT	Prof Staff	\$ 105.00	2.00	\$	210.00
<b>TOTAL</b>			<b>949.80</b>	<b>\$</b>	<b>179,777.00</b>

**TOTAL HOURS AND FEES** **10,942.10** **\$ 5,188,803.50**

**SECTION III: COMPENSATION BY PROJECT CATEGORY**

	<u>Hours Billed</u>	<u>Blended Hourly Rate</u>	<u>Final Totals</u>
Case Administration	489.60	\$483.35	\$ 236,649.00
Committee			
Communications/Meetings	549.20	\$617.47	\$ 339,112.00
Retention Issues	158.30	\$492.17	\$ 77,910.50
DIP Financing/Cash Collateral	7.90	\$539.75	\$ 4,264.00
Executory Contracts	427.90	\$477.24	\$ 204,211.00
Asset Dispositions	8.00	\$647.31	\$ 5,178.50
Executive Compensation/Bonuses	355.50	\$464.95	\$ 165,289.00
1113 and 1114 Issues	1,897.30	\$532.61	\$1,010,524.00
Claims	184.10	\$496.44	\$ 91,395.50
Fee Applications	449.20	\$321.87	\$ 144,583.00
Lien Review	4.90	\$745.10	\$ 3,651.00
Preference & Fraudulent Conveyance	314.40	\$437.32	\$ 137,493.00
Disclosure Statement and Plan	0.00	\$ 0.00	\$ 0.00
Foreign Affiliates	131.60	\$484.97	\$ 63,822.00
Exit Financing	0.00	\$ 0.00	\$ 0.00
Analysis/Response to Other Motions	1,608.90	\$445.86	\$ 717,350.00

Other Chapter 5	4,013.70	\$460.71	\$1,849,144.00
SEC and Class Action Issues	136.90	\$507.91	\$ 69,533.50
Non-Working Travel Time	49.80	\$243.06	\$ 12,104.50
Intercompany Claims	154.90	\$365.33	\$ 56,589.00
<b>TOTAL HOURS AND FEES</b>	<b>10,942.10</b>		<b>\$5,188,803.50</b>

#### **SECTION IV: EXPENSE SUMMARY**

<u>Expenses</u> <sup>11</sup>	<u>Amount</u>
a. Airfare & Trainfare	\$ 3,999.50
b. Calling Card	\$ 14.84
c. Color Copying/Printing	\$ 13.00
d. Deposition	\$ 9,898.27
e. Docket Research	\$ 95.00
f. Docket Copies	\$ 6,705.29
g. Federal Express	\$ 3,812.80
h. Filing Fees	\$ 39.00
i. Ground Transportation	\$ 1,011.88
j. Ground Transportation – Local	\$ 23,668.26
k. Investigation/Research	\$ 9,796.03
l. Legal Research	\$ 163.38
m. Lexis	\$ 89,713.27
n. Meal Credits	\$ 23,161.08
o. Meals	\$ 516.98
p. Meals- Local	\$ 4,367.56
q. Messenger/Courier	\$ 1,204.94
r. Mileage	\$ 77.88
	\$ 436.25
<u>s. MIS Services</u>	

<sup>11</sup> Certain expenses included in this Application were incurred prior to February 1, 2006, and are included herein due to accounting delays.

t.	Other Database	\$ 2,397.73
u.	Outside Services (non-attorney)	\$ 3,429.81
v.	Parking	\$ 16.00
w.	Photocopying	\$ 84,027.45
x.	Postage	\$ 53.84
y.	Publications	\$ 87.89
z.	Telecopying	\$ 1,018.75
aa.	Telephone	\$ 33,584.05
bb.	Transcript	\$ 18,633.12
cc.	Trip Expense	\$ 1,849.25
dd.	Westlaw	\$ 45,472.35
	<b>TOTAL</b>	<b>\$369,265.45</b>

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Attorneys for the Official Committee of Unsecured Creditors

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re:	)	Chapter 11
	)	
DELPHI CORPORATION, <u>et al.</u> ,	)	Case No. 05-44481 (RDD)
	)	
Debtors.	)	
	)	Jointly Administered
	)	

**SECOND FEE AND EXPENSE APPLICATION OF LATHAM & WATKINS LLP AS  
COUNSEL TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

Pursuant to sections 330 and 503(b)(1)(A) of chapter 11 of Title 11 of the United States Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on April 19, 1995 (the “Local Guidelines”) and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, adopted on January 30, 1996 (the “UST Guidelines” collectively with the Local Guidelines, the “Guidelines”), Latham & Watkins LLP (“Latham”), as counsel to the Official Committee of Unsecured Creditors (the “Committee”) appointed in the chapter 11 cases of Delphi Corporation and its debtor affiliates (collectively, the “Debtors”), respectfully submits this second application



(the “Application”) for allowance of compensation totaling \$5,188,803.50 and reimbursement of expenses totaling \$369,265.45, incurred during the period from February 1, 2006 through May 31, 2006 (the “Compensation Period”).

In support of this Application, Latham respectfully represents as follows:

**Background**

2. On October 8, 2005 (the “Petition Date”), thirty-nine of the above-captioned debtors (the “Debtors”) filed with this Court voluntary petitions for relief under chapter 11 of Title 11 of the United States Code, as amended (the “Bankruptcy Code”). On October 14, 2005, three additional Debtors filed voluntary petitions under chapter 11 of the Bankruptcy Code. The Debtors are continuing in possession of their property and are operating their businesses, as a debtors-in-possession, pursuant to sections 1107 and 1108 of the Bankruptcy Code.

3. The Committee was appointed in these cases by the Office of the United States Trustee for the Southern District of New York (the “U.S. Trustee”) on October 17, 2005.<sup>1</sup>

4. On November 17, 2005, the Committee filed that certain Application of the Official Committee of Unsecured Creditors for Order Authorizing and Approving the Employment and Retention of Latham & Watkins LLP as Counsel, Nunc Pro Tunc to October 17, 2005 (the “Retention Application.”) On January 6, 2006, this Court entered an order approving the retention of Latham, *nunc pro tunc* to October 17, 2005.

5. By Order dated November 4, 2005 (the “Administrative Order”), the Court established a procedure for interim compensation and reimbursement of expenses for all

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<sup>1</sup> The following members were originally appointed to the Committee: (a) Capital Research and Management Company; (b) Electronic Data Systems Corp.; (c) Flextronics International Asia-Pacific, Ltd.; (d) Freescale Semiconductor, Inc.; (e) General Electric Company; (f) IUE-CWA and (g) Wilmington Trust Company, as Indenture Trustee. Flextronics International Asia-Pacific, Ltd., has since resigned from the Committee and has been replaced with Tyco Electronics Corporation. In addition, the Pension Benefit Guaranty Corporation and the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (the “UAW”) have been added as *ex officio* members of the Committee.

professionals in these cases. In particular, the Administrative Order provides that, absent objection, upon the expiration of twenty days after the service of monthly fee statements, the Debtors are authorized to pay each professional serving such monthly fee statements an amount equal to 80 percent of the fees and 100 percent of the expenses requested in their respective monthly fee statements.

6. Pursuant to the Administrative Order, Latham has served monthly fee statements in these cases for the months of February, March, April and May, 2006 (collectively, the “Monthly Statements”). To date, the Debtors have paid to Latham \$3,255,634.80 in fees and \$241,891.83 in expenses incurred during the period from February 1, 2006 through May 31, 2006 (the “Compensation Period”) in accordance with the procedures set forth in the Administrative Order.

7. On May 31, 2006, Latham filed its first fee application covering the period from the October 17, 2005 through January 31, 2006. On July 13, 2006 this Court entered an order scheduling a hearing on October 19, 2006, to consider all pending fee applications for interim or final court approval of compensation and reimbursement of expenses.

8. By this Application, Latham seeks interim allowance of compensation and reimbursement of expenses incurred during the Compensation Period as reflected in Latham’s Monthly Statements. Latham also seeks payment of all outstanding holdbacks owing with respect to the Monthly Statements.

9. The supervisory responsibility for Latham’s efforts on behalf of the Committee has been undertaken by Robert J. Rosenberg. Mr. Rosenberg is the global co-head of Latham’s Insolvency Practice Group and a partner in Latham’s New York office. Mr. Rosenberg is a 1967 graduate of Columbia University and a 1970 graduate of Harvard Law School.

**Summary of Services Performed During the Compensation Period**

10. As reflected in the attached Second Fee and Expense Application Cover Sheet (the "Cover Sheet"), Latham has rendered 10,942.10 hours of legal services in representation of the Committee during the Compensation Period. Based upon the nature of the services rendered, the time required to provide such services, the value of such services to the Committee, and the cost of comparable services in non-bankruptcy cases, Latham believes that the allowed compensation for services rendered to the Committee should be not less than \$5,188,803.50. This total represents 10,942.10 hours of Latham attorney and other professional time, at a blended average hourly rate of \$474.21. The hourly rate for each attorney and other professional who performed services for the Committee during the Compensation Period is set forth in the Cover Sheet.

11. In accordance with the Local Guidelines, a detailed chronological narrative of the time spent (divided among twenty (20) descriptive billing categories adopted by Latham at the outset of these cases), the dates and descriptions of the services rendered, and the identity of the attorneys and other professionals who provided such services on behalf of the Committee during the Compensation Period, are attached hereto as Exhibits A-1, A-2, A-3 and A-4 (collectively, the "Billing Detail," which is incorporated herein by reference).<sup>2</sup>

12. Latham respectfully supplements the attached Billing Detail with the following narrative summary of services rendered by Latham during the Compensation Period, organized by category:

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<sup>2</sup> Exhibits A-1, A-2, A-3 and A-4 are copies of Latham's Monthly Statements for February, March, April and May, respectively. Certain redactions are reflected in Latham's Monthly Statements to protect confidential and privileged information contained therein. Section III of the Cover Sheet contains a summary of Latham's services, organized by project category.

a) **Case Administration.** Latham rendered a total of 489.60 hours and \$236,649.00 in services falling within the category of “Case Administration.” This category includes, among other things: (i) Latham’s services rendered in connection with general administration of these cases; (ii) reviewing, organizing or responding to various documents received; (iii) attending omnibus hearings; (iv) reviewing Committee professionals’ reports and summaries; (v) addressing scheduling issues; (vi) maintaining the case calendar; (vii) monitoring press reports relating to the Debtors’ cases; (viii), monitoring the docket in these cases; (ix) conferring among Latham professionals to coordinate the handling of various matters; (x) monitoring the status of various matters; and (xi) conducting fundamental due diligence and analysis of the critical documents and issues.

b) **Committee Communications/Meetings.** Latham rendered a total of 549.20 hours and \$339,112.00 in services falling within the category of “Committee Communications/Meetings.” This category includes Latham’s services rendered in connection with preparing for and attending regularly scheduled committee and subcommittee meetings, meetings with the Debtors, and related communications to the Committee, its professionals, and other parties in interest in these cases.

c) **Retention Issues.** Latham rendered a total of 158.30 hours and \$77,910.50 in services falling within the category of “Retention Issues.” This category includes Latham’s services rendered in connection with the retention of numerous professionals in these cases, including, but not limited to: Latham, Mesirow Financial Consultants, Warner Stevens LLP, Steven Hall & Partners, and the Debtors’ various professionals. This category also includes Latham’s review of various retention applications and supplemental disclosures filed in these cases, as well as the preparation of its own continuing disclosures. Additionally, Latham

provided services in connection with the extensive negotiation of the terms of engagement with respect to Jefferies & Company, Inc. and in connection with the retention application and disclosure issues of Buck Consultants.

d) **DIP Financing/Cash Collateral.** Latham rendered a total of 7.90 hours and \$4,264.00 in services falling within the category of “DIP Financing/Cash Collateral.” This category includes Latham’s services rendered in connection with the Debtors’ post-petition financing and cash collateral related issues.

e) **Executory Contracts.** Latham rendered a total of 427.90 hours and \$204,211.00 in services falling within the category of “Executory Contracts.” This category includes Latham’s services rendered in connection with the Debtors’ numerous executory contracts and unexpired leases of nonresidential real property, including analysis of, negotiation with respect to, and the Committee’s response to the Debtors’ Motion for Order Under 11 U.S.C. § 365 and Fed. R. Bankr. P. 6006 Authorizing Rejection of Certain Executory Contracts with General Motors Corporation.

f) **Asset Dispositions.** Latham rendered a total of 8.00 hours and \$5,178.50 in services falling within the category of “Asset Dispositions.” This category includes all of Latham’s services rendered in addressing the Debtors’ disposition of certain assets, and analysis of the effects of such asset dispositions on value to be realized by the Debtors’ estates and unsecured creditors.

g) **Executive Compensation/Bonuses.** Latham rendered a total of 355.50 hours and \$165,289.00. in services falling within the category of “Executive Compensation/Bonus.” This category includes all of Latham’s services rendered in connection with the Debtors’ Motion for Order Under §§ 105 and 363 Authorizing the Debtors to Implement a Key Employee

Compensation Program, and related compensation and bonus issues arising during the Compensation Period, including negotiations respecting, and participation in contested hearings on, the Debtors' proposed AIP program.

h) **1113 and 1114.** Latham rendered a total of 1,897.30 hours and \$1,010,524.00 in services falling within the category of "1113 and 1114." This category includes Latham's services relating to labor, pension and OPEB issues arising in these cases, including extensive related analysis, legal research and preparation of various memoranda. This category also includes preparation for, and attendance at, multiple hearings regarding these issues.

i) **Claims.** Latham rendered a total of 184.10 hours and \$91,395.50 in services falling within the category of "Claims." This category includes Latham's services rendered in connection with analysis of and response to various claims and various setoff, recoupment and reclamation requests asserted against the Debtors.

j) **Fee Applications.** Latham rendered a total of 449.20 hours and \$144,583.00 in services falling within the category of "Fee Applications." This category contains Latham's services rendered in reviewing, analyzing and responding to monthly fee statements and first fee applications served to date by professionals retained in these cases. This category also includes Latham's preparation of its own monthly statements and first fee application, and Latham's oversight of, and assistance to, Committee members and Committee professionals in their preparation of monthly fee statements, fee applications and expense reimbursement requests in an effort to ensure (i) adherence with local rules and procedures, and (ii) that all necessary confidential and strategic information was uniformly redacted from such statements.

k) **Lien Review.** Latham rendered a total of 4.90 hours and \$3,651.00 in services falling within the category of "Lien Review." This category includes Latham's services rendered

in connection with analysis of the various liens asserted against assets of the Debtors and their affiliates, and possible defenses thereto. Much of the analysis in this category is being handled by Warner Stevens LLP (“Warner Stevens”), the Committee’s conflicts counsel in these cases. Latham has endeavored to efficiently and effectively transition such matters to Warner Stevens while avoiding any duplication of effort in coordinating such matters.

l) **Preference & Fraudulent Conveyance.** Latham rendered a total of 314.40 hours and \$137,493.00 in services falling within the category of “Preference & Fraudulent Conveyance.” This category includes Latham’s legal research and analysis of possible avoidance actions which may be pursued by the Debtors, the Committee or an estate representative in these cases. This category also includes Latham’s legal research and analysis in connection with potential fraudulent conveyance causes of action against various parties, including General Motors Corporation.

m) **Disclosure Statement & Plan.** Latham did not provide any services falling within the category of “Disclosure Statement & Plan” during the Compensation Period.

n) **Foreign Affiliates.** Latham rendered a total of 131.60 hours and \$63,822.00 in services falling within the category of “Foreign Affiliates.” This category includes Latham’s services rendered in connection with analysis of various transactions relating to the Debtors’ foreign affiliates and joint ventures, as well as analysis of the ability of the Pension Benefit Guaranty Trust Corporation to enforce liens against non-debtor foreign affiliates.

o) **Exit Financing.** Latham did not provide any services falling within the category of “Exit Financing” during the Compensation Period.

p) **Analysis & Response to Other Motions.** Latham rendered a total of 1,608.90 hours and \$717,350.00 in services falling within the category of “Analysis & Response to Other

Motions.” This category includes Latham’s review, analysis and related research regarding various motions filed in these cases during the Compensation Period to the extent that such motions were not covered in any other category. This category also includes Latham’s preparation and filing of responses to various motions during the Compensation Period, and Latham’s preparation for, and attendance at, hearings in connection therewith.

q) **Other Chapter 5 Actions.** Latham rendered a total of 4,013.70 hours and \$1,849,144.00 in services falling within the category of “Other Chapter 5 Actions.” This category includes Latham’s extensive services rendered in connection with the analysis and investigation of potential actions under Chapter 5 of the Bankruptcy Code, including the equitable subordination of claims.

r) **SEC and Class Action Issues.** Latham rendered a total of 136.90 hours and \$69,533.50 in services falling within the category of “SEC and Class Action Issues.” This category includes Latham’s services rendered in connection with the review and analysis of materials related to (i) investigations being conducted by the Securities and Exchange Commission and the Department of Justice and (ii) class action complaints filed against the Debtors and current and former officers and directors of the Debtors.

s) **Non-Working Travel.** Latham rendered a total of 49.80 hours and \$12,104.50 in services falling within the category of “Non-Working Travel.” This category includes non-working time spent by Latham’s attorneys traveling on Delphi related business. Such time has been billed at 50% of Latham’s regular billing rates as is customary in this jurisdiction.

t) **Intercompany Claims.** Latham rendered a total of 154.90 hours and \$56,589.00 in services falling within the category of “Intercompany Claims.” This category includes



Latham's services rendered in connection with the review, research and analysis of intercompany claims issues among the Debtors and their non-debtor affiliates.

**Latham's Staffing and Internal Procedures.**

13. Latham has made a conscious effort in this case to provide to the Committee high quality legal services at the lowest possible cost. Whenever possible, rather than "reinventing the wheel," Latham has drawn upon the considerable expertise of its senior partners to obtain quick answers to difficult questions without the need for expensive and time consuming legal research. Where research has been required, Latham has utilized the low billing rates of junior lawyers, resulting in considerable savings for the Debtors.

14. A number of specialist attorneys have billed small amounts of time representing the Committee. The isolated and limited work done by these experts highlights one of the benefits of a global law firm such as Latham: when discrete issues arise, Latham can leverage the expertise of its specialists around the world, removing the need to train non-specialists on the issue or hire a separate law firm altogether. This efficient use of firm resources minimizes costs for the Estates while providing the Committee with the highest-quality legal services.

15. Latham believes that it has been efficient in avoiding duplication of effort and keeping fees and costs at the lowest level possible. Latham also believes that the attached Billing Detail reflects the actual, fair and reasonable value of the legal expertise provided to the Committee during the Compensation Period.

### **Disbursements**

16. Latham expended a total of \$369,265.45 for reasonable and necessary expenses in connection with its representation of the Committee during the Compensation Period<sup>3</sup>. In accordance with the Guidelines, Section IV of the Cover Sheet attached hereto contains an organized summary of these expenses.

17. Latham does not include a profit component in its disbursements, and charges the Debtors only for Latham's actual out-of-pocket expenses. Photocopy charges are billed at \$0.17 per page and outgoing faxes are billed at \$1.25 per page.

### **Certification**

18. As required by the Guidelines, a certification that the facts set forth in this Application are true and correct, and that this Application complies with the Guidelines, is attached hereto as Exhibit B.

### **Latham is a Disinterested Person and Holds No Adverse Interest**

19. All professional services and expenses for which allowance is requested in this Application were performed by Latham on behalf of the Committee, and were not on behalf of any other entity or person. As described in the Affidavit of Robert J. Rosenberg of Latham & Watkins LLP Pursuant to Sections 329, 504 and 1103 of the Bankruptcy Code and Rules 2014 and 2016 of the Federal Rules of Bankruptcy Procedure (together with subsequent supplemental affidavits, the "Rosenberg Affidavit") previously filed by Latham in these cases: (i) Latham holds neither a claim against, nor an interest in, the Debtors, and no beneficial interest in the Debtors, directly or indirectly, has been acquired or transferred by Latham or for Latham's benefit since the commencement of these cases; (ii) Latham represents no interest adverse to the

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<sup>3</sup> Certain expenses included in this application were incurred prior to February 1, 2006, and are included herein due to accounting delays.

Debtors with respect to matters upon which it is engaged; and (iii) Latham is a “disinterested person” under section 101(14) of the Bankruptcy Code.

20. No agreement or understanding exists between Latham and any other person or entity for the sharing of compensation received or to be received for services rendered in connection with these proceedings, except that fees will be shared with other partners of Latham as permitted by Bankruptcy Rule 2016 and section 504 of the Bankruptcy Code.

**Reservation of Rights**

21. To the extent that charges for services rendered or expenses incurred during the Compensation Period are inadvertently excluded from this Application for any reason, Latham hereby reserves the right to request approval and payment of such charges in future fee applications.

WHEREFORE, Latham respectfully requests that this Court enter an order: (i) allowing Latham's request for compensation in the sum of \$5,188,803.50 for actual, reasonable and necessary professional services rendered on behalf of the Committee during the Compensation Period; (ii) directing the Debtors to pay to Latham the full amount of such compensation to the extent not already paid; and (iii) directing the Debtors to reimburse Latham in the amount of \$369,235.45 for actual, reasonable and necessary expenses incurred during the Compensation Period, to the extent not already reimbursed.

Dated: New York, New York  
July 31, 2006

LATHAM & WATKINS LLP

By: /s/ Robert J. Rosenberg  
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